



526 S. Church St.  
Charlotte, N.C. 28202

Phillip O. Stillman, General Manager

Duke Energy Carolinas  
EC06E / P.O. Box 1006  
Charlotte, N.C. 28201-1006

704 382-8070

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2006-268E  
230000

May 27, 2011

Jocelyn Boyd  
Chief Clerk and Administrator  
Public Service Commission of South Carolina  
Post Office Drawer 11649  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29211

Dear Ms. Jocelyn Boyd:

Enclosed is the quarterly report of Duke Energy Carolinas, LLC  
for the twelve months ending March 31, 2011. Please feel free to  
call me at (704) 382-8070.

Sincerely,

Phillip O. Stillman  
Regulatory Accounting and Planning

Enclosure

cc: Mr. Dukes Scott  
Executive Director  
Office of Regulatory Staff

Mr. John Flitter  
Director, Electric & Gas Regulation  
Office of Regulatory Staff

South Carolina

CERTIFICATION

(Certification must be signed by the Chief Executive Officer and the Chief Financial Officer)

I, Catherine E. Heigel, state and attest, under penalty of perjury, that the attached South Carolina Quarterly Report is filed on behalf of Duke Energy Carolinas, LLC, as required by the Public Service Commission of South Carolina; that I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

Catherine E. Heigel  
Signature of President

Catherine E. Heigel  
Typed or Printed Name of Person Signing

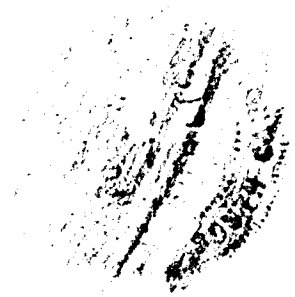
President, Duke Energy South Carolina  
Title

May 25, 2011  
Date Signed

Subscribed and sworn to before me this 25 day of May, 2011.

Jessica Watts  
Notary Public

My Commission Expires: 6/18/19



CERTIFICATION

(Certification must be signed by the Chief Executive Officer and the Chief Financial Officer)

I, James D. Wiles, state and attest, under penalty of perjury, that the attached South Carolina Quarterly Report is filed on behalf of Duke Energy Carolinas, LLC, as required by the Public Service Commission of South Carolina; that I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

James D. Wiles  
Signature of Person Making Verification

James D. Wiles  
Typed or Printed Name of Person Signing

VP, Franchised Electric and Gas Accounting  
Title

5/26/2011  
Date Signed

Subscribed and sworn to before me this 26th day of May, 2011.

Jennie M. Raine  
Notary Public

My Commission Expires: 8/12/2011



Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjs (a) (Col. 3)	As Adjusted (Col. 4)
1	Electric Operating Revenue	\$ 6,381,537	24.2870%	\$ 1,549,884	\$ (1,196)	\$ 1,548,688
2	Electric Operating Expenses:					
3	Operation and Maintenance:					
4	Fuel Used in Electric Generation	1,698,459	25.1102%	426,486	(1,055)	425,431
5	Purchased Power and Net Interchange	273,109	25.3273%	69,171	(101)	69,070
6	Wages, Benefits, Materials, etc.	1,836,346	23.7875%	436,820	(15,615)	421,205
7	Depreciation and Amortization	745,579	24.4157%	182,038	18,166	200,204
8	General Taxes	336,948	19.0676%	64,248	5,927	70,175
9	Interest on Customer Deposits	5,492	11.9264%	655	(1)	654
10	Income Taxes	450,293	25.4784%	114,727	(6,467)	108,260
11	Amortization of Investment Tax Credit	(7,528)	22.1440%	(1,667)	7	(1,660)
12	Total Electric Operating Expenses	5,338,698	24.2096%	1,292,478	861	1,293,339
13	Operating Income	\$ 1,042,839	24.6832%	\$ 257,406	\$ (2,057)	\$ 255,349
14	Add: Customer Growth Adjustment				320	320
15	Income for Return			\$ 257,406	\$ (1,737)	\$ 255,669
16	Original Cost Rate Base (b)			\$ 3,204,444	\$ 366,736	\$ 3,571,180
17	Rate of Return on South Carolina Retail Rate Base			8.03%		7.16%

Notes: (a) From Page 3, "Total Adjustments" line.

(b) From Page 4, Line 12.

Line No.	Description	South Carolina Retail				Pro Forma			
		Total Company Capitalization March 31, 2011		Per Book Embedded		Embedded		Embedded	
		Amount (Col. 1)	Ratio (Col. 2)	Retail Rate Base (Col. 3)	Cost/Return % (Col. 4)	Operating Income (Col. 5)	Retail Rate Base (Col. 6)	Cost/Return % (Col. 7)	Operating Income (Col. 8)
1	Long-Term Debt	\$ 7,011,715	43.40%	\$ 1,390,729	5.50%	\$ 76,490	\$ 1,678,455	5.39%	\$ 90,469
2	Preferred Stock	-	0.00%	-	0.00%	-	-	0.00%	-
3	Members' Equity	9,143,111	56.60%	1,813,715	9.97%	180,916	1,892,725	8.73%	165,200
4	Total	\$ 16,154,826	100.00%	\$ 3,204,444 (a)		\$ 257,406 (b)	\$ 3,571,180 (c)	(e) (f)	\$ 255,669 (d)

Notes: (a) From Page 4, Line 12, Column 2.

(b) From Page 1, Line 15, Column 2.

(c) From Page 4, Line 12, Column 4.

(d) From Page 1, Line 15, Column 4.

(e) If adjusted for weather, this rate would be 7.31%.

(f) Excludes pre-tax non-firm wholesale sales profits for the total system of approximately \$9 million for the 12 months ended 03/31/11.  
A net of tax South Carolina Retail allocation of profits would amount to approximately \$1 million.

Line No.	Description	Electric Operating Revenue (Col. 1)	Fuel Used in Electric Generation (Col. 2)	Purchased Power and Net Interchange (Col. 3)	Wages Benefits Materials Etc. (Col. 4)	Depreciation and Amortization (Col. 5)	General Taxes (Col. 6)	Interest on Customer Deposits (Col. 7)	Income Taxes (Col. 8)	Amortization of ITC (Col. 9)	Net Operating Income (Col. 10)
1	To Annualize Depreciation on Year-End Plant	\$ -	\$ -	\$ -	\$ -	\$ 5,068	\$ -	\$ -	\$ (1,985)	\$ -	\$ (3,083)
2	To Annualize Wage Rate Increase	-	-	-	(340)	-	(20)	-	141	-	219
3	To Eliminate Incremental Voluntary Opportunity Plan and Office Consolidation Costs	-	-	-	(13,681)	-	-	-	5,359	-	8,322
4	To Eliminate Catawba Purchased Power Levelization	-	-	-	-	-	-	-	-	-	-
5	To Annualize Property Taxes on Year-End Plant	-	-	-	-	-	3,960	-	(1,551)	-	(2,409)
6	To Reflect CWIP Closings to Plant	-	-	-	-	13,771	2,254	-	(6,277)	-	(9,748)
7	To Adjust Income Taxes to Reflect Interest Synchronization	-	-	-	-	-	-	-	(3,265)	-	3,265
8	To Exclude Greenwood Operations	(1,196)	(1,055)	(101)	(1,594)	(673)	(267)	(1)	1,111	7	1,377
9	Total Adjustments	\$ (1,196)	\$ (1,055)	\$ (101)	\$ (15,615)	\$ 18,166	\$ 5,927	\$ (1)	\$ (6,467)	\$ 7	\$ (2,057)

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Electric Plant in Service	\$ 27,623,741		\$ 6,363,420	\$ 403,224	\$ 6,766,644
2	Less: Accumulated Depreciation and Amortization	(12,669,106)		(2,826,804)	(18,839)	(2,845,643)
3	Net Electric Plant	14,954,635		3,536,616	384,385	3,921,001
4	Add: Materials and Supplies	781,669		185,046	(4,879)	180,167
5	Working Capital Investment	1,192,316		272,102	-	272,102
6	Plant Held for Future Use	3,126	25.3732%	793	-	793
7	Less: Accumulated Deferred Taxes	(3,510,698)	26.2891%	(922,931)	-	(922,931)
8	Operating Reserves	(352,341)	25.4214%	(89,570)	-	(89,570)
9	Customer Deposits	(88,330)		(19,256)	-	(19,256)
10	Greenwood				(12,770)	(12,770)
11	Construction Work in Progress	988,455		241,644		241,644
12	Total Original Cost Rate Base	\$ 13,968,831		\$ 3,204,444	\$ 366,736	\$ 3,571,180

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 14,166,948		\$ 3,109,673	\$ 344,304	\$ 3,453,977
2	Transmission	2,578,177	19.1027%	492,502	18,862	511,364
3	Distribution (b)	8,755,361	25.5312%	2,235,347	27,099	2,262,446
4	General	579,436	23.8142%	137,988	6,730	144,718
5	Intangible	394,664	23.7266%	93,640	6,229	99,869
6	Subtotal	26,474,586	22.9244%	6,069,150	403,224	6,472,374
7	Nuclear Fuel	1,149,155	25.6075%	294,270		294,270
8	Total Electric Plant in Service	\$ 27,623,741 (a)		\$ 6,363,420	\$ 403,224	\$ 6,766,644

Notes: (a) Excludes asset retirement obligations, electric plant held for future use, electric plant acquisition adjustments, and other electric plant adjustments of (\$88,931) thousand.

(b) The accounting adjustment in Col. 3 represents non-growth related additions to distribution plant.



Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 6,663,381		\$ 1,327,851	\$ 15,080	\$ 1,342,931
2	Transmission	1,160,744	19.0224%	220,801	593	221,394
3	Distribution	3,748,112		994,182	1,035	995,217
4	General	102,739	31.3153%	32,173	885	33,058
5	Intangible	285,041	24.6340%	70,217	1,246	71,463
6	Subtotal	11,960,016	22.1172%	2,645,224	18,839	2,664,063
7	Nuclear Fuel	709,090	25.6075%	181,580		181,580
8	Total Accumulated Depreciation and Amortization	\$ 12,669,106 (a)		\$ 2,826,804	\$ 18,839	\$ 2,845,643

The annual composite rates for computing depreciation (straight-line method) are shown below.

9	Steam Production Plant	3.57%
10	Nuclear Production Plant (Excl. Nuclear Decommissioning)	2.35%
11	Hydro Production Plant	3.44%
12	Combustion Turbines	3.62%
	Transmission Plant:	
13	Right-of-Way	1.16%
14	Other	2.03%
15	Distribution Plant	2.33%
16	General Plant	Various
17	Land Rights	0.81% - 1.88%
18	Intangible Plant	20.00%

Note: (a) Excludes accumulated depreciation of asset retirement obligations and accumulated depreciation of electric plant acquisition adjustments totaling \$78,637 thousand. Includes accumulated depreciation of cost of removal and asset retirement obligation regulatory liability totaling \$1,465,096 thousand.

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
Fuel Stock:						
1	Coal	\$ 312,409	25.6075%	\$ 80,000	\$ (4,879)	\$ 75,121
2	Oil	27,029	25.6075%	6,921	-	6,921
3	Total Fuel Stock	339,438	25.6073%	86,921	(4,879)	82,042
4	Other Electric Materials and Supplies & Stores Clearing	442,231	22.1886%	98,125	-	98,125
5	Total Materials and Supplies	\$ 781,669		\$ 185,046	\$ (4,879)	\$ 180,167

Note: (a) Adjustment to per book coal inventory balance to reflect target inventory level.

Coal Inventory Target Level (in tons)	2,948		
Price per Ton - Coal	\$ 99.51		
Total Company Pro Forma Inventory	\$ 293,355	25.6075%	75,121
Per Book Coal Inventory			80,000
Coal Adjustment			\$ (4,879)

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Twelve Months Operating and Maintenance Expenses, Exclusive of Purchased Power and Nuclear Fuel Expense	\$ 3,350,610		\$ 816,056	-	\$ 816,056
		=====		=====	=====	=====
2	1/8 of O&M Expenses on Line 1	\$ 418,826		\$ 102,007		\$ 102,007
3	Less: Average Taxes Accrued	(53,758)		(18,541)	-	(18,541)
		-----		-----		-----
4	Subtotal	365,068		83,466	-	83,466
5	Required Bank Balances	340	23.2065%	79	-	79
6	Bond Reacquisition Premiums	129,006	17.4077%	22,457	-	22,457
7	Pension Funding	661,964	23.8985%	158,199	-	158,199
8	Prepayments	35,938	21.9859%	7,901	-	7,901
		-----		-----		-----
9	Total Working Capital Investment	\$ 1,192,316		\$ 272,102	\$ -	\$ 272,102
		=====		=====	=====	=====

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 3,410,546	23.8212%	\$ 812,432	\$ -	\$ 812,432
2	Transmission	143,593	19.0196%	27,311	-	27,311
3	Distribution	55,761	25.5312%	14,236	-	14,236
4	General	100,196	23.8142%	23,861	-	23,861
5	Intangible	249,552	23.7266%	59,210	-	59,210
6	Total Construction Work in Progress	\$ 3,959,648		\$ 937,050	\$ -	\$ 937,050

Line

No.   Description

Twelve Months Ended 31-Mar-2011

1	SEC Fixed Charges Coverage	3.77
2	Earnings per Share	\$1.04

Line No.	Description	Total Company (a)	Wholesale Jurisdiction (b)	% of Total (c)	N.C. Retail (d)	% of Total (e)	S.C. Retail (f)	% of Total (g)
<u>Operating Revenues (\$000s)</u>								
1	Residential	\$ 2,618,011			\$ 2,007,236	76.6702%	\$ 610,776	23.3298%
2	Commercial	1,962,496			1,550,645	79.0139%	411,852	20.9861%
3	Industrial	1,045,462			653,043	62.4646%	392,418	37.5354%
4	Public Street & Highway Lighting	37,515			31,816	84.8106%	5,698	15.1894%
5	Interdepartmental	-			-	0.0000%	-	0.0000%
6	Sales for Resale:							
7	Special Contract	327,739	\$ 291,747	89.0182%	35,539	10.8437%	453	0.1381%
8	Other	-	-	0.0000%	-	-	-	-
9	Total Revenue from Sales of Electricity	\$ 5,991,222	\$ 291,747	4.8696%	\$ 4,278,279	71.4091%	\$ 1,421,196	23.7213%
<u>Kilowatthour Sales (000s)</u>								
10	Residential	29,336,806			22,363,274	76.2294%	6,973,532	23.7706%
11	Commercial	27,867,934			22,057,589	79.1504%	5,810,346	20.8496%
12	Industrial	20,755,921			12,261,369	59.0741%	8,494,552	40.9259%
13	Public Street & Highway Lighting	286,773			244,865	85.3863%	41,908	14.6137%
14	Interdepartmental	-			-	0.0000%	-	0.0000%
15	Sales for Resale:							
16	Special Contract	5,759,731	5,127,206	89.0182%	624,568	10.8437%	7,956	0.1381%
17	Other	-	0	0.0000%	-	-	-	-
18	Total KWH Sales	84,007,165	5,127,206	6.1033%	57,551,665	68.5080%	21,328,294	25.3887%
<u>Revenue Per KWH Sold (Cents)</u>								
19	Residential	8.92			8.98		8.76	
20	Commercial	7.04			7.03		7.09	
21	Industrial	5.04			5.33		4.62	
22	Public Street & Highway Lighting	13.08			12.99		13.60	
23	Interdepartmental	0.00			0.00		0.00	
24	Sales for Resale:							
25	Special Contract	5.69	5.69		5.69		5.69	
26	Other	0.00	0.00		-		-	
27	Total Revenue per KWH Sold	7.13	5.69		7.43		6.66	